



April 24, 2012

Senator Tory Rocca
Chair, Regulatory Reform Committee
P.O. Box 30036
Lansing, Michigan 48909

Re: Testimony opposing HB 4561 amending Michigan building code update schedule

The American Chemistry Council (ACC) would like to express its opposition to HB 4561, which will change state law so that the updating of building codes occurs every three to six years, instead of every three years. The bill requires the director of the Department of Energy, Labor, and Economic Growth to update the building code not less than once every six years. Current law requires this update not less than once every three years.

ACC represents leading companies engaged in the business of chemistry. Our industry uses energy as both a feedstock and power for our plants. Low energy costs are important to the business of chemistry, and energy conservation is the lowest cost option for increasing the energy supply. Further, the chemical industry manufactures products that are essential to making homes and commercial buildings more energy efficient. ACC represents 42 companies in Michigan. The Michigan chemical industry contributes to the state's economy through employment in manufacturing and distribution facilities and jobs generated indirectly by chemical industry activity in the state.

ACC and its members support the 3-year cycle for updating building codes because:

- **Savings to Homeowners.** When a new home is built, it usually is the biggest financial investment for a family and the building codes affecting that home will have a long-lasting effect – perhaps 70-80 years. Building a home with the most up-to-date energy codes will save the homeowners money on their utility bills every month. These savings quickly cover the cost of the investment in improved efficiency and will enable the homeowners to purchase other necessities. Safety improvements in an updated building code can also reduce homeowners' insurance premiums. HB 4561 will delay innovations that save money for homeowners.
- **Savings to Tax Payers.** Supporters of HB 4561 say this bill will save money, but in reality HB 4561 will waste tax dollars by delaying the use of the latest technologies that cut energy bills for public buildings, protect them from damage due to natural disasters, reduce maintenance costs and insurance claims, and lower insurance premiums for safer buildings.
- **Economic Growth.** Michigan manufacturers that use innovative processes and technologies to create products for Michigan's building industry are important to the state's economy. Delaying Michigan's use of updated building codes hurts manufacturers by not recommending the use of the innovative products they

